

# Economic Impact

## Mauston-New Lisbon Union Airport (82C) 2005

### Airports and economic development

The local general aviation airport is fast becoming the principal access route from a community to the nation and world.

As an important part of our statewide transportation network, local airports such as Mauston-New Lisbon Union Airport play a critical role in fostering business growth and economic development.



Mauston-New Lisbon Union Airport

Convenient access to air transportation allows businesses to quickly move goods and key personnel from one site to another, saving valuable time and increasing productivity.

A recent study by the Wisconsin Department of Transportation (WisDOT) shows that between 1997 and 2001, over 85% of new or expanded manufacturing businesses were located within 15 miles of an airport capable of handling corporate jets. These manufacturers provided 34,064 jobs for Wisconsin residents.

The local airport also provides facilities for emergency medical flights, law enforcement, agricultural spraying, pilot training, and many other important community services.

Communities that are readily accessible by air transportation are at a competitive advantage and may realize economic and quality of life benefits that can affect every citizen.

### Airport location

Located in Juneau County, Mauston-New Lisbon Union Airport is centrally located between the cities of Mauston and New Lisbon and just west of I-90/94.



Juneau County supports many thriving businesses. In addition, the area is noted for its recreational facilities, museums, lakes, bike trails, streams, and unique sites to visit throughout the county. The city of Mauston is the county seat and also the largest populated municipality in the county. Nearby New Lisbon is a popular destination for many visitors with summer and winter recreational plans.

Juneau County has a diversified economic base and workforce. The top three industry groups are Manufacturing, Trade (wholesale & retail), and Government.



## Regional profile

Juneau County population – 25,052  
Juneau County employment – 9,702  
Per capita personal income – \$20,709

### Major employers:

- Hess Memorial Hospital
- Walker Stainless Equipment
- Sandridge Treatment Facility
- County of Juneau
- School District of Mauston
- Volk Field
- Necedah Public School
- Freudenbergknok (Farnam/Meillor)
- Parker Hannifin
- Brunner Drilling & Mfg.

Sources: U.S. Census Bureau, U.S. Bureau of Economic Analysis and the WI Departments of Administration and Workforce Development.

## Airport activity and facilities

Owned and operated by the cities of Mauston and New Lisbon Union, Mauston-New Lisbon Union Airport is open to the public and classified as a Basic Utility airport in the *Wisconsin State Airport System Plan: 2020*.

*Basic Utility airports* are designed to serve all small single-engine piston aircraft and many small twin-engine piston aircraft under 12,500 pounds.

In 2003, the airport recorded 6,553 aircraft operations (take-offs and landings) and is currently home to 11 single engine, two multi-engine aircraft, and two jets based at the airport.

The airport has a 3,686 x 75 ft. paved runway, rotating beacon, and PAPI. In addition, the airport offers a pilot lounge and aircraft fuel. There are currently 18 hangars located at the airport. Solberson Top Flight Aviation, a local flight service business, operates out of the airport. In recent years, the Civil Air Patrol has used the airport and visitors to the EAA convention often use the airport.

## The economic impact of Mauston-New Lisbon Union Airport

A study of the contribution of Mauston-New Lisbon Union Airport to the local and state economy was recently completed by the Wisconsin Department of Transportation, Bureau of Aeronautics.

The economic impact of Mauston-New Lisbon Union Airport is the *economic output (sales)*, *employment* and *personal income* that can be attributed directly and indirectly to the airport.

Economic impacts measure the importance of an airport as a business in terms of the employment that it supports and the goods and services that it consumes.



Mauston New Lisbon Union Airport

The results of the study estimate that Mauston-New Lisbon Union Airport provided over \$1 million in economic output, supported 16 jobs and contributed \$296,291 in wage income to the local and state economy.

The methodology used to estimate the contribution of the airport to the local and state economy is the Wisconsin Department of Transportation (WisDOT) Airport Benefit-Cost (ABC) System.

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The WisDOT ABC System is a Microsoft Access database application for evaluating the economic impact of airports and airport improvement projects.

The WisDOT ABC System was developed based on guidelines established by the FAA in the document "*Estimating the Regional Economic Significance of Airports*," U.S. DOT, September 1992.

The WisDOT ABC System uses data from the following three primary sources:

- Airport activity and business survey data for calendar year 2003 was obtained from the Airport management and businesses located on the airport.
- Data from the *U.S. Bureau of Economic Analysis* on industry employment, wages and sales.
- Regional economic multipliers obtained from the industry transaction tables in the Impact Analysis for Planning Model (IMPLAN) computer model.

IMPLAN is a computer model, produced for WisDOT by the Minnesota IMPLAN Group, Inc., that estimates purchases and sales between various sectors of the Wisconsin economy. The model can produce statewide results or focus on specific counties and groups of counties. Multipliers for two sectors were used in the analysis.

The regional economic multipliers used in this study for the Air Transportation sector are (sales), (employment) and (wages).

Multipliers used for the Retail/Hotel/Restaurant sector are (sales), (employment) and (wages).

**ABC** Airport Benefit-Cost System

The economic role of Mauston-New Lisbon Union Airport is comprised of three types of impacts: *Direct Impacts of the Airport*, *Direct Impacts of Airport Users* and the *Multiplier Impacts*.

Each of these impacts is expressed in terms of their effect on economic output, employment and wage income.



Airport terminal

### Direct impacts of the airport

The direct effect of an airport on the local economy measures the jobs, payroll and sales directly related to airport operations and businesses at the airport. This includes the management and operation of the airport as well as the businesses providing aircraft maintenance, fueling, storage rental, charter sales and leasing activities.

In 2003, the direct effect of the airport on the local economy totaled two employees, a payroll of \$59,800, and \$296,240 in economic output.

### Direct impacts of the airport users

Visitor spending, or the direct impact of airport users, is the amount of money flowing into the local economy from air passengers who reside outside the county. These visitors spend money on lodging, meals, ground transportation and retail purchases within the county.



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The \$300,000 of visitor spending (sales) in 2003 supported nine additional jobs with a payroll of \$110,934.

## Multiplier impacts

The multiplier impact considers the effect of two additional airport impacts on the regional economy. The first impact is the economic activity of local suppliers to the airport and Juneau County businesses that host air travelers (hotels, restaurants and entertainment establishments).

The multiplier impact also includes the re-spending of the payroll of businesses serving visitors to the area. Employees of these businesses spend a significant portion of their income throughout the local economy. The IMPLAN multipliers were used to identify the extent of these impacts.

In 2003 the multiplier impact of the airport supported three additional jobs, provided \$51,654 in wages and generated \$156,919 in economic output.

## Employment (FTE Jobs)

Direct impact - airport	2
Direct impact – airport users	9
Multiplier impact	3
<b>Total employment impact</b>	<b>14</b>

## Wage income/payroll

Direct impact - airport	\$59,800
Direct impact – airport users	\$110,934
Multiplier impact	\$51,654
<b>Total payroll impact</b>	<b>\$222,388</b>

## Economic output/sales

Direct impact - airport	\$296,240
Direct impact – airport users	\$300,000
Multiplier impact	\$156,919
<b>Total economic output</b>	<b>\$753,159</b>



## Other benefits

The study also measured the public revenue generated at both the local and state level from airport related fees. In 2003, Mauston-New Lisbon Union Airport generated \$18,560 in revenue from aircraft storage and fuel sales.

The airport also generated \$6,012 in state revenue from general aviation fuel taxes and aircraft registration fees for a total of \$24,572 in direct airport and state revenue.

## Airport revenue – direct impact

Mauston-New Lisbon Union Airport	State	Total
\$18,560	\$6,012	\$24,572



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## Mauston-New Lisbon Union Airport (82C) 2005

### Local economic impact

The results of the study estimate that Mauston-New Lisbon Union Airport provided \$753,159 in economic output, supported 14 jobs and contributed \$222,388 in wage income to the local economy in 2003.

#### *Contribution of Mauston-New Lisbon Union Airport to the local economy*

FTE jobs	Wage income	Economic output/sales
14	\$222,388	\$753,159

When combined with the local impact, the total contribution of Mauston-New Lisbon Union Airport to the local and state economy in 2003 is \$1,004,067 in sales, 16 jobs and \$296,291 in wage income.

#### *Contribution of Mauston-New Lisbon Union Airport to the local and state economy*

FTE jobs	Wage income	Economic output/sales
16	\$296,291	\$1,004,067



### Local and state economic impact

The activity at Mauston-New Lisbon Union Airport in 2003 also generated an additional \$250,908 in sales, supported two additional jobs and provided \$73,903 in wage income to the state economy.